

**STATE OF MICHIGAN  
DEPARTMENT OF LABOR & ECONOMIC GROWTH  
OFFICE OF FINANCIAL AND INSURANCE REGULATION**

**Before the Commissioner of Financial and Insurance Regulation**

In the matter of:

Office of Financial and Insurance Regulation

Enforcement Case No.08-06879

Petitioner,

v

UNITRIN DIRECT PROPERTY & CASUALTY COMPANY,

Respondent

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Issued and entered  
on April 15, 2009  
by Stephen R. H. Ker  
Chief Deputy Commissioner

**CONSENT ORDER AND STIPULATION**

**A. Findings of fact and conclusions of law**

1. Contrary to R 500.2212(5), Respondent failed to submit to the Commissioner by July 1, 2007, a list certified as complete and accurate of all forms in effect in Michigan containing shortened limitation of action clauses or to submit a letter certifying that Respondent had no forms in effect in Michigan.
2. Based on the foregoing conduct, Respondent has violated R 500.2212.

**B. Order**

Based on the findings of fact and conclusions of law above and Respondent's stipulation, the Commissioner ORDERS that:

1. Respondent shall immediately cease and desist from operating in such a manner as to violate R 500.2212.
2. Respondent shall immediately submit to the Commissioner a list certified as complete and accurate of all forms in effect in Michigan containing shortened limitation of action clauses, or to submit a letter certifying that Respondent has no forms in effect in Michigan.

3. Respondent shall pay to the State of Michigan, through the Office of Financial and Insurance Regulation, a fine in the amount of \$1,000. The fine shall be paid within thirty (30) days of the date of entry of this Order.

Stephen R. Hill  
Chief Deputy Commissioner

**C. STIPULATION**

I, Donald RAINESTAD, acting on behalf of UNITRIN DIRECT PROPERTY & CASUALTY COMPANY, have read and understand the proposed Consent Order above. I agree that the Commissioner has jurisdiction and authority to issue this Consent Order pursuant to the Michigan Insurance Code. I voluntarily waive the right to a hearing in this matter if this Consent Order is issued. I understand that this Stipulation and Consent Order will be presented to the Chief Deputy Commissioner for approval and that the Chief Deputy Commissioner may or may not issue this Consent Order. I waive any objection to the Chief Deputy Commissioner deciding this case following a hearing in the event the Consent Order is not approved. Henceforth, I agree to comply with the requirements of the Michigan Insurance Code and all applicable Rules. I agree to the entry of this Order.

If UNITRIN DIRECT PROPERTY & CASUALTY COMPANY submits to the Office of Financial and Insurance Regulation a list of forms containing shortened limitation of action clauses, UNITRIN DIRECT PROPERTY & CASUALTY COMPANY agrees not to enforce such provisions against insureds and remove all discretionary clauses from the list of forms submitted, within 90 days of entry of the above Order. Upon removal of the shortened limitation of action clauses, UNITRIN DIRECT PROPERTY & CASUALTY COMPANY agrees to immediately file a certification with the Office of Financial and Insurance Regulation indicating that all shortened limitation of action clauses have been removed from its forms.

**UNITRIN DIRECT PROPERTY & CASUALTY COMPANY**

Dated: 2-10-09

Donald RAINESTAD  
By: Donald RAINESTAD  
Its: Director of Compliance

The Office of Financial and Insurance Regulation staff approves this stipulation and recommends that the Chief Deputy Commissioner issue the above Consent Order.

Dated: 4-15-09

Patrick J. MacLean  
By:  
Its: